

MINUTES OF THE SPECIAL MEETING
OF THE
PUBLIC BUILDING COMMISSION OF McLEAN COUNTY, ILLINOIS

Thursday, March 10, 2016, 3:30 p.m. CDT

The Special Meeting of the Public Building Commission of McLean County, Illinois (the "Commission") was called to order by Chairman Novosad on March 10, 2016 in Room 404 of the Government Center, 115 East Washington Street, Bloomington, McLean County, Illinois.

Secretary Morel called the roll with the following members answering "present": Messrs. Novosad, Zeunik, Morel, Zimmerman, Funk, Good, and Schultz. Chairman Novosad noted the presence of a quorum. Messrs. Harris and Farnsworth were absent.

Also present were Commission Attorney Robert Porter; Mr. Bill Wasson, McLean County Administrator; Ms. Hannah Eisner, Assistant McLean County Administrator; Mr. Jack Moody, McLean County Director of Facilities Management; Mr. Eric Schmitt, McLean County Director of Administrative Services; Mr. John Bishop, Project Manager, the Farnsworth Group, Inc.; and Tim Kiefer of the Farnsworth Group, Inc.

No representatives of the media, press, and/or radio were present.

Chairman Novosad noted that the Commission had convened in a special session pursuant to Section Three (3) of its Bylaws to consider entering into a contract with the Farnsworth Group, Inc. for the design, engineering services, and construction administration of an expansion to the McLean County Jail. Chairman Novosad asked Mr. Porter to provide an overview of the contract.

Mr. Porter first indicated that he had reviewed the Commission's proposed contract with the Farnsworth Group, Inc. along with Chairman Novosad, Mr. Wasson, Ms. Eisner, Mr. Moody, Mr. Schmitt, First Assistant State's Attorney Don Knapp, and Assistant State's Attorney Jessica Woods. Mr. Porter noted that he had previously provided the Commissioners with the initial "DRAFT" contract, but stated that the contract had undergone several revisions since that date. Namely, the contract was revised to include a mutual indemnification clause that protects both the Commission and the Farnsworth Group, Inc. from the negligence of the other party, an enforcement clause, a termination clause, and various insurance requirements.

Mr. Porter further indicated that, under the contract, the Farnsworth Group, Inc. is to receive a lump sum architect's fee of \$3,461,500.00. Mr. Porter noted that the Farnsworth Group, Inc. estimated the cost of construction to be \$35,000,000.00 and that the architect's fee represented 9.89% of this sum. Mr. Porter indicated that the Farnsworth Group, Inc. had originally proposed an architect's fee of 11.25% of the \$35,000,000.00 construction budget, but that this fee had been reduced after certain additional services were either eliminated from the project or eliminated in scope. Of the \$3,461,500.00 architect's fee, Mr. Porter noted that \$2,677,500.00 (or 7.65%) was allocated towards the performance of basic services, \$541,000.00 was allocated towards additional services, and the remaining \$243,000.00 would serve as the Farnsworth Group, Inc.'s expense allowance. Mr. Porter then asked Messrs. Bishop and Kiefer to discuss in greater detail the services that the Farnsworth Group, Inc. would be providing.

Mr. Bishop first indicated that the additional services that the Farnsworth Group, Inc. would be performing will consist of program confirmation and other services to ensure that the design is ultimately "right-sized" for the site and the County's needs. Mr. Bishop noted that the Farnsworth Group, Inc. would be relying on a number of specialty consultants including food service and laundry consultants. Mr. Bishop stated that the allowances that Mr. Porter referred to will partly fund any additional scope of work. In addition, Mr. Bishop recounted that the project budget had been reviewed on two different occasions. Ultimately, he indicated that the Farnsworth Group, Inc. understands its task as designing a new building in accordance with "Option B" of the Dewberry/Goldman Needs Assessment Study. Among other things, this will entail relocating the existing kitchen and tripling the size of the infirmary space.

Mr. Kiefer noted that the Farnsworth Group, Inc. budgeted an owner's contingency fund of \$3,000,000.00 into their cost and fee estimates and that the contract has built-in strategies to reduce cost.

Mr. Moody indicated that the McLean County Jail Expansion will be both a massive and complicated project, but that he is completely comfortable working with the Farnsworth Group, Inc. and HOK.

Mr. Wasson stated that there were significant benefits to using both the Farnsworth Group, Inc. and HOK on the project. He specifically noted that the Farnsworth Group, Inc. is a local firm with regional standing and that HOK is a global firm that has expertise in jail and detention facilities design. Mr. Wasson indicated that few other jurisdictions have addressed the issue of detention and the mentally ill. He further noted that the McLean County Jail Expansion Project will consist of the construction of a new facility and renovation of an existing facility. In light of the foregoing, as well as a review of existing proposals and rates established by the Capital Development Board, Mr. Wasson stated his belief that the Farnsworth Group, Inc.'s fees were appropriate.

Ms. Eisner discussed certain of the additional services, noting that such services will be required to be performed as a part of the contract. Ms. Eisner further noted that Exhibit D to the contract nicely outlines the basic services that the Farnsworth Group, Inc. will be performing.

With respect to the architect's fee, Mr. Kiefer noted that the \$243,000.00 in allowances would be billed on a time-and-material basis.

Mr. Bishop noted that the allowances could be further negotiated as need be.

Hearing no further discussion of the contract from representatives of the Farnsworth Group, Inc. or McLean County, Chairman Novosad asked the Commissioners whether they had any questions regarding the contract.

Mr. Funk noted that he was pleased that the construction budget was estimated at \$35,000,000.00 and that the Commission had approximately \$45,000,000.00 in its Project Fund. Towards that end, Mr. Funk asked whether the McLean County Jail Expansion Project was being designed and built to fit the estimated budget. Mr. Moody indicated that the Project was in fact being designed to fit the budget and Ms. Eisner stated that this had been anticipated by the Dewberry/Goldman Needs Assessment Study.

Mr. Zimmerman asked Messrs. Bishop and Kiefer to speak to the Project's schedule.

Mr. Bishop noted that the Farnsworth Group, Inc. would bid out the Project in January 2017.

Mr. Kiefer stated that the bid documents would be comprehensive.

Mr. Bishop further noted that the Farnsworth Group, Inc. would perform the schematic design within the first one hundred (100) days of the Project. Mr. Bishop also indicated that the Farnsworth Group, Inc. and/or its contractors would be performing geotechnical services, surveys, utility work, program verification, cost review, design development, and cost updates during the initial stages of the Project.

Mr. Zeunik asked Messrs. Bishop and Kiefer whether the geotechnical work will include taking soil samples.

Mr. Bishop indicated that the Farnsworth Group, Inc. will be taking soil samples and Mr. Kiefer noted that this work will be targeted to those areas needing to take the most load.

Mr. Wasson noted that geotechnical services are traditionally performed by a project owner, but that, in this case, the Farnsworth Group, Inc. had agreed to perform such services.

Mr. Good asked Messrs. Bishop and Kiefer whether the cost of furnishings was included in the contract and both Messrs. Bishop and Kiefer indicated that the cost of those items incorporated into the individual cells are in fact included in the contract. Other miscellaneous office furniture and equipment, however, will be a separate cost.

Mr. Funk noted that much of the Project's schedule was being driven by the Commission's need to substantially spend its Series 2015 Public Building Revenue Bond's proceeds on or before October 6, 2018. Mr. Funk asked whether this was prudent and further asked whether the Commission could achieve an investment yield on the Bond's proceeds that would offset any tax penalty it might face after October 6, 2018.

Mr. Porter noted that it may be possible to achieve an investment yield on the Series 2015 Public Building Revenue Bond's proceeds that would offset any tax consequence the Commission might face in the event that it does not substantially spend down the Bond's proceeds on or before October 6, 2018. However, Mr. Porter stated that he would have to research this further. Mr. Porter nonetheless noted that the Project schedule was not being unduly expedited and that the Farnsworth Group, Inc. is comfortable working with a substantial completion deadline of October 6, 2018. Mr. Kiefer confirmed that the Farnsworth Group, Inc. was in fact comfortable with this deadline.

Mr. Good then asked a clarifying question as to whether the Commission should be concerned with substantial completion as opposed to occupancy. Mr. Porter responded by noting that the Commission must be concerned with spending substantially all of the Bond's proceeds on or before October 6, 2018 and that occupancy was not an immediate concern. Mr. Moody noted that the Juvenile Detention Center was substantially completed well before actual occupancy.

Chairman Novosad then inquired as to whether any Commissioners had additional questions or comments about the contract with the Farnsworth Group, Inc. Hearing none, Chairman Novosad asked for a Motion to approve the contract with the Farnsworth Group, Inc. for the design, engineering services, and construction administration of an expansion to the McLean County Jail. Before a Motion was made, Mr. Porter noted that Exhibit N to the contract was a draft Owner-Contractor contract, which would be further revised provided that any such revision did not materially impact the contract's terms or cost. Mr. Porter stated that this caveat would need to be incorporated into the Motion. It was moved by Mr. Good and seconded by Mr. Zimmerman that the Commission approve a contract with the Farnsworth Group, Inc. for the design, engineering services, and construction administration of an expansion to the McLean

County Jail in the amount of \$3,461,500.00 and that Exhibit N of said contract be further revised provided that such revision does not materially alter the contract's terms or cost. Upon a roll call vote, all Commissioners voted in favor of the Motion.

After the vote was taken, Mr. Porter reminded the Commissioners that the Commission's next regular meeting would occur on Tuesday, April 5, 2016, at 3:30 p.m. in Room 404 of the Government Center.

Chairman Novosad then inquired as to whether any of the Commissioners had any additional questions or comments regarding the contract with the Farnsworth Group, Inc. Hearing none, Chairman Novosad asked for a Motion to adjourn. It was moved by Mr. Schultz and seconded by Mr. Funk that the meeting adjourn and the Motion was unanimously approved by voice vote. The meeting was adjourned at 4:15 p.m. The next regular meeting of the Commission will be Tuesday, April 5, 2016, at 3:30 p.m.

APPROVED:

April 5, 2016



JOHN L. MOREL,
Secretary, Public Building Commission